

Larry E. Craig, Chairman

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S. 2237 — Department of the Interior and Related Agencies Appropriations Bill, 1999

Calendar No. 440

Reported by the Committee on Appropriations, by a vote of 27-0, on June 26, 1998. S. Rept. 105-227.

NOTEWORTHY

- S. 2237 contains \$13.46 billion in total budget authority, which is \$660 million less than the Administration request, and \$390 million less than the amount approved for FY 1998. [These amounts differ from totals in the committee report because of scoring.] The amount provided is a \$308 million increase over FY 1998 if the special reserve fund for land acquisition is discounted [see attached chart].
- Unlike the previous several years, the bill does not mandate the sale of oil from the Strategic Petroleum Reserve to finance operation of the reserve.
- Oil and gas leasing and other mineral leasing activities, the timber and range programs, and oil production from the naval petroleum reserves will generate in excess of \$8.23 billion in income for the government in FY 1999.
- The House on July 23 passed H.R. 4193, which provides a total of \$13.43 billion, including \$98.5 million for the NEA.
- The Office of Management and Budget issued a veto threat for the House bill, H.R. 4193, in part because the bill was said to "under-fund priority programs and includes damaging riders." A similarly worded letter from OMB was sent to Appropriations Committee Chairman Stevens on June 25, based on the bill as it was reported from the subcommittee (see Administration Position for details).
- The Committee recommends \$100 million for the National Endowment for the Arts, which is \$2 million more than the FY 1998 appropriation, but \$36 million less than the Administration's request.
- The Committee stipulates that none of the funds in this bill are to be used to implement actions called for solely under the Kyoto protocol, prior to its ratification (S. Rept. 105-227, pp.6-7).

HIGHLIGHTS

This bill provides funding for all of the agencies and bureaus of the Department of the Interior (except the Bureau of Reclamation), as well as the following other agencies: Forest Service (USDA); a number of programs under the Department of Energy, including the Strategic Petroleum Reserve account; Indian Health Service (HHS); and a variety of cultural programs and agencies, including the Smithsonian Institution, National Gallery of Art, and the National Foundation on the Arts and Humanities. The bill also provides funding (\$6.6 million) for the National Oceanic and Atmospheric Administration (NOAA) for marine research activities (Title VI).

In addition to items noted on page 1 of this Notice, other highlights of the bill include:

- \$2.15 billion for the Indian Health Service, \$53.4 million more than FY 1998 and \$33.8 million more than the Administration request.
- \$70.7 million, \$42.2 million more than the Administration request, to support the Bureau of Indian Affairs' participation in a law enforcement initiative with the Department of Justice.
- \$2.62 billion for the Forest Service, \$57 million more than last year but \$34.3 million less than the Administration's request. The increase over last year includes a \$102 million emergency contingency for wildland fire management.
- Prohibits the use of any federal funds to issue a final rule regarding the valuation of crude oil for royalty purposes until FY 2000 or until there is a negotiated agreement on the rule (Sec.131). (This provision was adopted as an amendment in full committee markup.)
- Prohibits the Forest Service from undertaking prescribed burning until the Forest Supervisor certifies that every effort has been made to remove all economically viable commercial wood products from the proposed burn area that would have otherwise been destroyed by the burn (Sec.332).

BILL PROVISIONS

Title I: Department of the Interior

The Committee provides \$6.79 billion for the Department of the Interior in FY 1999, an amount which is \$337 million below the Administration's request, and \$85 million above the appropriation for FY 1998.

Bureau of Land Management: The Committee recommends an appropriation of \$1.2 billion for the Bureau of Land Management, a decrease of \$33 million from the Administration's request, and an increase of \$64.7 million from the FY 1998 appropriation. The Committee recommends \$633 million for land and resource management, \$27.3 million less than the budget request, and \$51 million more than the FY 1998 appropriation. Included in that total is \$18.6 million for the wild horse and burro management program, the same as the budget request; for Energy and Minerals Management, the budget request was \$69.6 million, the Committee provides \$69.3 million; and, the Committee provides \$74.9 million for resource protection and management, \$548,000 more than the budget request. For wildland fire management, the Committee recommends \$289 million, \$9.4 million less than requested, and \$8.9 million more than appropriated for FY 1998.

Fish and Wildlife Service: The Administration requested \$818 million for FWS, the Committee provides \$797.4 million, \$21 million less than the budget request and \$24.8 million more than the FY 1998 appropriation. The Committee recommends \$624 million for resource management, a decrease of \$51.8 million from the budget request but \$29.4 million more than the FY 1998 appropriation. Included in that total is \$84.1 million for endangered species, \$29 million less than the budget request; and \$285.9 million for refuges and wildlife (the Administration requested \$302.4 million).

National Park Service: The Committee recommends an appropriation of \$1.66 billion for the National Park System, \$6.4 million more than the FY 1998 appropriation, \$91.6 million less than the budget request. The Committee provides an increase of some \$55 million from FY98 for park operations (totaling \$1.29 billion), including \$230 million for Resource Stewardship, \$302.5 million for Visitor Services, \$401.9 million for Maintenance, and \$239.9 million for Park Support. For the Historic Preservation Fund, the Committee provides \$55.6 million, \$45 million less than the budget request and \$14.8 million more than the FY 1998 appropriation.

Minerals Management Service: In FY 1999 it is estimated that the MMS will collect and distribute \$5.2 billion from more than 107,000 Federal and Indian leases. Exclusive of accounting, the Committee provides \$217.3 million for royalty and offshore minerals management, \$8.1 million more than the FY 1998 appropriation. Also included in the recommendation for FY 1999 is \$6 million for oil spill research.

U.S. Geological Survey: The Committee provides \$772.1 million for surveys, investigations, and research of the U.S.G.S., \$34.8 million under the budget request, and \$11.8 million above the FY 1998 appropriation.

Office of Surface Mining: The Committee recommends an appropriation of \$276 million for the OSM, including \$92.9 million for regulation and technology, \$631,000 less than the budget request and \$2.53 million less than FY 1998. For the Abandoned Mine Reclamation Fund, the Committee provides \$183.1 million, \$359,000 below the budget request and \$5.4 million more than FY 1998.

Native American Programs

Bureau of Indian Affairs: For the Bureau of Indian Affairs, the Committee provides \$1.7 billion, \$142 million less than the budget estimate, \$1.3 million less than the FY 1998 appropriation. The bill contains significant increases in funding over FY 1998 for education. The Committee recommends \$505.7 million for education, \$15.4 million more than the FY 1998 appropriation. For tribally controlled community colleges operations grants, the bill contains \$31.8 million, a \$3 million increase.

Indian Health Service (in Title II): S. 2237 provides \$2.15 billion for the Indian Health Service which is under the Department of Health and Human Services. The amount is \$33.8 million more than the budget request and \$53.4 million more than the FY 1998 appropriation. The Committee's recommendation includes \$1.5 billion for clinical services and \$85.4 million for preventive health. The bill also provides \$16.4 million not included in the Administration's proposal for staffing of IHS facilities.

Other Native American Programs: The bill provides \$15 million for the Office of Navajo and Hopi Indian Relocation and \$3.2 million for the Institute of American Indian and Alaska Native Culture and Arts Development. Also included is \$38 million for the Office of Special Trustee for American Indians, \$557,000 less than FY 1998.

Title II: Related Agencies

For Title II, related agencies, the Committee provides \$6.87 billion, \$155.8 million more than the FY 1998 appropriation and \$280.6 million less than the budget request.

Forest Service (Department of Agriculture): For the U.S.F.S, the Committee provides \$2.62 billion, \$57 million more than the FY 1998 appropriation, but \$34.3 million less than the budget request. For the National Forest System, the Committee recommends \$1.13 billion, \$288.6 million less than the budget estimate and \$228.65 less than the FY 1998 appropriation. For specific programs, the recommendation includes (amounts include transfer of funds for general administration):

- ▶ \$212.9 million for Forest and Rangeland Research, \$25 million more than FY 1998 and \$14.8 million more than the budget request.
- ▶ \$165.1 million for State and Private Forestry, \$2.2 million more than the budget request, and \$44.1 million less than the FY 1998 appropriation.
- ▶ \$689.9 million for Wildland Fire Management, \$103.3 million more than the FY 1998 appropriation and \$33.45 million more than the budget request.
- ▶ \$353.8 million for Reconstruction and Construction, \$187.8 million more than FY 1998 and \$192.9 million more than the budget request.
- ▶ \$311 million for Forestland Management, \$36.3 million more than FY 1998 and \$53.7 million more than the budget request.
- ▶ \$108.5 million for Wildlife, Fish and Rare Plant Habitat, \$11.7 million more than the FY 1998 appropriation.

The FY 1999 budget request proposes declines in salvage timber sales (from 1.252 billion board feet [BBF] to 1.08 BBF) and in new green timber sales (from 2.56 BBF to 2.36 BBF). According to the Congressional Research Service, the sale would be the smallest since FY 1950. The Senate Appropriations Committee recommends sales sold (not offered) of 3.64 BBF.

Department of Energy

Fossil Energy R&D: The Committee provides \$376.4 million for fossil energy research and development, \$6.98 million below the budget request and \$14.03 million more than the FY 1998 appropriation. The Committee recommendation includes:

For Coal:

- ▶ \$15.63 million for advanced clean fuels research.
- ▶ \$80.2 million for advanced clean/efficient power systems.
- ▶ for a total for coal of \$116.9 million.

For Gas:

- ▶ \$70 million for natural gas research.
- ▶ \$42.2 million for fuel cells.
- ▶ for a total for natural gas of \$112.2 million.

For Oil Technology:

- ▶ \$49.7 million for exploration and production supporting research, recovery field demonstration, and exploration and production environmental research.

Energy Conservation: S.2237 provides \$677.7 million for energy conservation, an increase of \$66 million from the FY 1998 appropriation but \$130.8 million lower than the budget request. In making the significant reduction in the budget request, the Committee notes that it "...continues to be disappointed by the quality of the budget justification for energy conservation programs, particularly by the persistent lack of explanation given for requested program increases and decreases from year to year."

Strategic Petroleum Reserve: The Committee recommends \$155.1 million for operation of the strategic petroleum reserve, \$5 million less than the budget request and \$52.4 million less than the FY 1998 funding level. The Committee does not recommend an appropriation for the acquisition of oil for the reserve.

Cultural Programs

National Endowments: The Committee provides \$234 million for the National Foundation on the Arts and Humanities, \$2 million more than the FY 1998 appropriation and \$64 million less than the Administration request. For the National Endowment for the Arts (including matching grants), the Committee recommends \$100 million, \$35.9 million less than the budget request and \$2 million more than the FY 1998 appropriation.

Smithsonian: Funding for the Smithsonian Institution is set at \$404.6 million, \$2.3 million more than the FY 1998 appropriation and \$15.2 million less than the budget request. This amount includes \$16 million for construction of the National Museum of the American Indian, and \$3 million for renovation of the Star Spangled Banner.

Title III: General Provisions

The Committee has included 43 general provisions that are described beginning on page 119 of the Committee Report. In addition to the traditional provisions such as Buy America and the Mining Patent Moratorium, the bill contains specific direction regarding management and spending.

Title IV: Amendments to the Elwha River Ecosystem and Fisheries Restoration Act

This title amends the 1992 Elwha River Ecosystem and Fisheries Restoration Act to authorize the removal of the Elwha Dam, protect the water supply of the city of Port Angeles, WA, protect the owner and current industrial user from liability, provide for a comprehensive study of the impact of dam removal on fish runs, and authorize appropriations to Clallam County to compensate for lost tax revenues.

Title V: Land Between the Lakes Act

The Committee has included language in S. 2237 that transfers responsibility for the Land Between the Lakes National Recreation Area to the Secretary of Agriculture with the expectation that it will be managed as part of the National Forest System for recreation in a manner consistent with the multiple-use mandate of the National Forest Service if the Tennessee Valley Authority (TVA) does not receive at least \$6 million in appropriated funds to manage the area. The transfer to the Forest Service will be funded through use of all available TVA balances and nonpower proceeds in the amount of \$7 million.

Title VI: Department of Commerce

The Committee recommends \$6.6 million for marine research activities pursuant to Title IV of P.L. 105-83 (FY98 Interior appropriations). The funds provided are to be derived from the environmental improvement and restoration fund. [The bulk of funding for the Department of Commerce was provided in the Commerce-State-Justice appropriations act, which passed the Senate on July 23, 1998.]

Government Performance and Results Act

The Committee notes that a General Accounting Office report analyzing agency performance plans found those plans to be lacking in a number of critical areas. The Committee recommends that the agencies review the GAO report and correct the deficiencies described by GAO, especially with regard to consistency of format among agencies. The Committee further admonishes the agencies to consult with the Committee before altering or revising their existing budget structures for the purposes of GPRA implementation.

ADMINISTRATION POSITION

On June 25, 1998, the Office of Management and Budget expressed objection to various provisions of the bill as it was reported by the Senate subcommittee. The letter says, in part, "Due to inadequate funding levels for priority programs and unacceptable language riders ..., the Secretaries of the Interior, Agriculture, and Energy would recommend that the President veto the bill if it were presented to him as approved by the Subcommittee. On July 21, OMB issued a similarly worded veto threat for the House version of the Interior Appropriations bill, H.R. 4193.

COST

The Committee's report, prepared in consultation with CBO, contains an estimate that the bill would result in outlays of \$8.73 billion in FY 1999, \$3.59 billion in FY 2000, \$828 million in FY 2001, \$338 million in FY 2002, and \$89 million in FY 2003. The bill is \$6 million below the Committee's allocation of \$13.41 billion for discretionary budget authority and identical to the Committee's \$13.96 billion allocation for outlays.

POSSIBLE AMENDMENTS

Ashcroft. To eliminate funding for the NEA.

Bumpers. To strike or amend Section 117 regarding National Academy of Sciences study of environmental regulations governing mining on public lands.

Boxer. To strike or amend Section 131 regarding Mineral Management Service's proposed rule regarding valuation of crude oil for royalty purposes.

Other amendments to the General Provisions of Title III are possible.

Enzi. Regarding Native American Gaming.

Dorgan/Craig for Baucus. Earmarking \$2.5 million for noxious weed research.

Staff contact: John Peschke, 224-2946
Attached: chart, summary of spending

Summary of S. 2237 as reported
(in millions of dollars)

Appropriations Account	FY98	Budget Request	FY99 Senate
Title 1: Department of the Interior	\$6,700.7	\$7,122.2	\$6,785.6
Bureau of Land Management	1,136.0	1,233.7	1,200.7
Fish and Wildlife Service	772.5	818.2	797.4
National Park Service	1,655.1	1,753.1	1,661.5
U.S. Geological Survey	760.4	806.9	772.1
Minerals Management Service	150.3	128.5	123.4
Surface Mining Reclamation & Enforcement	273.1	277.0	276.0
Bureau of Indian Affairs	1,703.3	1,844.1	1,702.0
Departmental Offices (Incl. Insular Affairs & Special Trustee)	250.1	260.7	252.5
 Title II: Related Agencies	 6,709.7	 7,146.1	 6,865.5
Forest Service	2,565.6	2,656.8	2,622.5
Department of Energy	1,255.7	1,441.5	1,251.8
Clean Coal Technology	-101.0	-40.0	-40.0
Fossil Energy R&D	362.4	383.4	376.4
Alternative Fuels Production	-1.5	-1.3	-1.3
Naval Petroleum and Oil Shale Reserves	107.0	22.5	14.1
Energy Conservation	611.7	808.5	677.7
Economic Regulation	2.7	1.8	1.8
Strategic Petroleum Reserve	207.5	160.1	155.1
Energy Information Administration	66.8	70.5	68.0
Indian Health Service	2,098.7	2,118.3	2,152.1
Indian Education	—	—	—
Office of Navajo & Hopi Indian Relocation	15.0	15.0	15.0
Inst. American Indian/Alaska Native Culture and Arts	4.3	3.2	3.2
Smithsonian Institution	402.3	419.8	404.6
National Gallery of Art	62.0	64.2	64.2
John F. Kennedy Center for the Performing Arts	20.4	33.0	33.0
Woodrow Wilson International Center for Scholars	5.8	6.0	5.8
National Endowment for the Arts	98.0	136.0	100.1
National Endowment for the Humanities	110.7	136.0	110.7
Institute of Museum Services	23.3	26.0	23.3
Commission of Fine Arts	.9	.9	.9
National Capital Arts and Cultural Affairs	7.0	7.5	7.0
Advisory Council on Historic Preservation	2.7	3.0	2.8
National Capital Planning Commission	5.7	6.2	6.0
Holocaust Memorial Council	31.7	32.6	32.6
Presidio Trust	—	39.9	29.9
 Grand Total	 \$14,109.5	 \$14,268.3	 \$13,657.7

* Not all of the amounts on the chart match the numbers in the Committee Report because of scoring.